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FORM 10-Q

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Quarterly Report Under Section 13 or 15(d)
of the Securities Exchange Act of 1934

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For Quarter Ended March 31, 1992

Commission file number 0-14686

ALLEGHENY GENERATING COMPANY
(Exact name of registrant as specified in its charter)

Virginia	13-3079675
(State of Incorporation)	(I.R.S. Employer Identification No.)

12 East 49th Street, New York, New York 10017
Telephone number 212-752-2121

The registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

At May 14, 1992, 1,000 shares of the Common Stock ($1.00 par value) of the registrant were outstanding.

ALLEGHENY GENERATING COMPANY

Form 10-Q for Quarter Ended March 31, 1992

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ALLEGHENY GENERATING COMPANY
Statement of Income

	Three Months Ended March 31	
	1992	1991
	(Thousands of Dollars)	
ELECTRIC OPERATING REVENUES	$24 384	$25 947
OPERATING EXPENSES:		
Operation and maintenance expense	1 653	2 226
Depreciation	4 210	4 203
Taxes other than income taxes	1 128	1 183
Federal income taxes	3 765	3 913
Total Operating Expenses	10 756	11 525
Operating Income	13 628	14 422
OTHER INCOME AND DEDUCTIONS	2	1
Income Before Interest Charges	13 630	14 423
INTEREST CHARGES:		
Interest on long-term debt	5 675	6 247
Other interest	55	37
Total Interest Charges	5 730	6 284
NET INCOME	$ 7 900	$ 8 139

See accompanying notes to financial statements.

ALLEGHENY GENERATING COMPANY
Balance Sheet

	March 31 1992	December 31 1991
	(Thousands of Dollars)	
ASSETS		
Property, Plant, and Equipment:		
At original cost, including $3,314,000 and $1,351,000 under construction	$ 824 617	$822 332
Accumulated depreciation	(102 144)	(97 915)
	722 473	724 417
Current Assets:		
Cash	185	222
Accounts receivable, principally from parents	4 217	2 486
Materials and supplies - at average cost	2 101	2 159
Other	82	202
	6 585	5 069
Deferred Charges	12 725	12 737
Total Assets	$ 741 783	$742 223
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common stock - $1.00 par value per share, authorized 5,000 shares, outstanding 1,000 shares	$ 1	$ 1
Other paid-in capital	209 999	209 999
Retained earnings	32 507	34 593
	242 507	244 593
Long-Term Debt:		
Debentures, net	236 191	233 790
Commercial paper	61 059	65 712
	539 757	544 095
Current Liabilities:		
Accounts payable	25	247
Interest accrued	4 061	4 107
Taxes accrued	3 388	1 168
Other	800	524
	8 274	6 046
Deferred Credits:		
Unamortized investment credit	55 921	56 250
Deferred income taxes	137 831	135 832
	193 752	192 082
Total Capitalization and Liabilities	$ 741 783	$742 223

See accompanying notes to financial statements.

ALLEGHENY GENERATING COMPANY
Statement of Cash Flows

	Three Months Ended March 31	
	1992	1991
	(Thousands of Dollars)	
CASH FLOWS FROM OPERATIONS:		
Net income	$ 7 900	$ 8 139
Depreciation	4 210	4 203
Deferred investment credit and income taxes, net	1 670	1 709
Changes in certain current assets and liabilities:		
Accounts receivable, net	(1 731)	(1 932)
Materials and supplies	58	(40)
Accounts payable	(222)	71
Taxes accrued	2 220	1 838
Interest accrued	(46)	215
Other, net	465	439
	14 524	14 642
CASH FLOWS FROM INVESTING:		
Construction expenditures	(2 286)	(354)
CASH FLOWS FROM FINANCING:		
Issuance of long-term debt	2 364	-
Retirement of long-term debt	(4 653)	(3 823)
Cash dividends on common stock	(9 986)	(10 500)
	(12 275)	(14 323)
NET CHANGE IN CASH AND TEMPORARY CASH INVESTMENTS	(37)	(35)
Cash and Temporary Cash Investments at January 1	222	169
Cash and Temporary Cash Investments at March 31	$ 185	$ 134
Supplemental cash flow information:		
Cash paid during the quarter for:		
Interest (net of amount capitalized)	$ 5 735	$ 6 038
Income taxes	947	1 217

See accompanying notes to financial statements.

ALLEGHENY GENERATING COMPANY
Notes to Financial Statements

1. The Company's Notes to Financial Statements incorporated by reference in the Allegheny Power System companies' combined Annual Report on Form 10-K for the year ended December 31, 1991, should be read with the accompanying financial statements and the following notes.

2. The accompanying financial statements as of March 31 and for the periods then ended are unaudited. In the opinion of the Company, such financial statements together with these notes thereto contain all adjustments (which consist only of normal recurring adjustments) necessary to present fairly the Company's financial position as of March 31, 1992, and the results of operations and cash flows for the three months ended March 31, 1992 and 1991.

3. The Statement of Income reflects the results of past operations and is not intended as any representation as to future results. For purposes of the Balance Sheet and Statement of Cash Flows, temporary cash investments with original maturities of three months or less, generally in the form of repurchase agreements, are considered to be the equivalent of cash.

4. Common stock dividends per share declared and paid during the periods for which income statements are included are as follows:

	Three Months Ended March 31	
	1992	1991
Number of Shares.....	1,000	1,000
Amount per Share.....	$ 9,986	$10,500

Earnings per share are not reported inasmuch as the common stock of the Company is 100% owned by its parents, Monongahela Power Company (27%), The Potomac Edison Company (28%), and West Penn Power Company (45%).

ALLEGHENY GENERATING COMPANY

Management's Discussion and Analysis of Financial Condition and Results of Operations

COMPARISON OF FIRST QUARTER OF 1992 WITH FIRST QUARTER OF 1991

The changes in revenues, federal income taxes, and net income are due to a continuing reduction in the Company's net plant (the major component of rate base), and to the previously reported changes in the Company's allowed return on equity on its investment in the Bath County station, from 11.25% on March 1, 1990 to 11.53% on March 1, 1991.

The decrease in interest on long-term debt was due to a decrease in the average amount of and interest rates on long-term debt outstanding.

LIQUIDITY AND CAPITAL RESOURCES

The Company's discussion on Liquidity and Capital Resources and Results of Operations incorporated by reference under Item 7 of the Allegheny Power System companies' combined Annual Report on Form 10-K for the year ended December 31, 1991, should be read with the following information:

By order dated February 19, 1992, the Federal Energy Regulatory Commission ruled that a portion of the Company's revenues collected after February 29, 1992, are subject to refund depending on the outcome of the previously reported rate proceeding.

In March 1992, Standard and Poor's Corporation (S&P) and Fitch Investor Service, Inc. downgraded the Company's securities as a result of a regulatory decision for West Penn Power Company. The ratings by Moody's Investors Service remain unchanged. The revised ratings are summarized below:

	S&P	Fitch
Commercial paper	A-1	F-1
Debentures and Medium-Term Notes	A	

ALLEGHENY GENERATING COMPANY
Part II--Other Information to Form 10-Q
for Quarter Ended March 31, 1992

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

1. (a) Date and Kind of Meeting:
The annual meeting of shareholders was held at New York, New York, on April 2, 1992. No proxies were solicited.

(b) Election of Directors:
The following were elected Directors at the annual meeting to hold office until the next annual meeting of shareholders and until their successors are duly chosen and qualified.

Klaus Bergman
* Charles B. Finch
Stanley I. Garnett, II
Kenneth M. Jones
Peter J. Skrgic

* Resigned effective May 1, 1992

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(b) No reports on Form 8-K were filed on behalf of the Company for the quarter ended March 31, 1992.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ALLEGHENY GENERATING COMPANY

Thomas J. Bloc
Comptroller
(Chief Accounting Officer)

May 14, 1992